

Utah State Building Board



MEETING

June 4, 2003

MINUTES

Utah State Building Board Members in attendance:

Larry Jardine, Chair
Kerry Casaday
Steven Bankhead
Lynne Ward, Ex-Officio

DFCM and Guests in attendance:

F. Keith Stepan	Division of Facilities Construction & Management
Kenneth Nye	Division of Facilities Construction & Management
Kent Beers	Division of Facilities Construction & Management
Shannon Lofgreen	Division of Facilities Construction & Management
Dave Williams	Division of Facilities Construction & Management
Blake Court	Division of Facilities Construction & Management
Alyn Lunceford	Division of Facilities Construction & Management
Bruce Whittington	Division of Facilities Construction & Management
Camille Anthony	Department of Administrative Services
Randa Bezzant	Governor's Office of Planning and Budget
Dennis Geary	College of Eastern Utah
Brent Windley	Utah State University
Darrell Hart	Utah State University
Mark Spencer	Board of Regents
Mike Perez	University of Utah
John W. Huish	University of Utah
Bob Askerlund	Salt Lake Community College
Raymond Duda	Utah National Guard
Col. Craig V. Morgan	Utah National Guard
E. Bart Hopkin	Department of Human Services
Rep. Loraine T. Pace	Legislature
Sen. Beverly Evans	Senate
Rep. Dave Clark	Legislature
Susan Bohmholdt	H/B Design
Lionel Blau	Mountainland ATC

Jackie McGill	Spectrum Engineers
Julee Attig	Jacobsen Construction
RoLynne Christensen	VCBO Architecture
Greg Peay	Corrections
Michael Wollenzien	Office of Rehabilitation
Marlo Wilcox	Department of Workforce Services
Greg Stauffer	Southern Utah University

On Wednesday, June 4, 2003, the Utah State Building Board held a regularly scheduled meeting at the Utah State Capitol, Committee Room 129, Salt Lake City, Utah. Keith Stepan called the meeting to order at 9:15 am. He excused Kay Calvert and Joseph Jenkins and announced Manuel Torres would be delayed. He then deferred discussion to Camille Anthony. Ms. Anthony announced the Governor asked Larry Jardine to serve as Chair of the Building Board to replace Keith Stepan who is replacing Joe Jenkins as DFCM Director. The Governor expressed appreciation of Mr. Jardine's willingness to accept this assignment. Ms. Anthony also announced the Governor appointed Cyndi Gilbert as Haze Hunter's replacement. Ms. Gilbert resides in Washington County and is affiliated with Gilbert Construction Company.

Mr. Stepan congratulated Chair Jardine and pledged support on behalf of the Board. He also welcomed Senator Evans and Representative Pace.

☐ **APPROVAL OF MINUTES OF MAY 7, 2003.....**

Chair Larry Jardine sought a motion on the Building Board meeting minutes of May 7, 2003. Keith Stepan noted the roster excluded attendees from Utah State University, Senator Evans, and Representative Pace.

MOTION: Steven Bankhead moved to approve the minutes with the conditions of adding those in attendance that were missing. The motion was seconded by Lynne Ward and passed unanimously.

☐ **FACILITIES MAINTENANCE DELEGATION AT THE UTAH NATIONAL GUARD**

Previously, the Board discussed the delegation of the operations and maintenance at the National Guard facilities in all areas of the state excluding Salt Lake County. The issue was tabled at the last meeting for further information.

Kent Beers recommended the Board concur with the agreement between DFCM and the National Guard to end the delegation to the Guard for maintenance of armory buildings outside of Salt Lake County. DFCM and the National Guard agreed it is in the best interest

of the state for DFCM to assume the maintenance responsibilities of the armories located outside of Salt Lake County. The Guard will continue to maintain facilities in West Jordan, Draper, and Camp Williams. DFCM currently has maintenance shops located in each of the regions where the remaining armories are located and can assume the maintenance duties with minimal increase in staffing. The DFCM Director has the authority to grant delegation, however, the two parties have determined to no longer grant delegation of the armories. The Guard agreed DFCM would be the best candidate to assume the maintenance delegation at these locations and wished for the Board to concur with the agreement.

In anticipation of Colonel Morgan's arrival, the item was postponed for additional discussion.

❑ CAPITAL DEVELOPMENT REQUEST PROCESS AND SCHEDULE.....

Kenneth Nye stated DFCM proposed the capital development request process be similar to last year with the exception of two potential changes. One concern was raised by Legislators regarding the Board's priority list being too extensive. Projects placed on the lower levels of the priority list are still granted some leverage with Legislators regarding their recommendation by the Board. Evidently it has created some confusion and pressure to fund low priority projects since they received consideration. This issue is also influenced by the expected level of funding anticipated over the next few years for capital development projects and the struggles to fund capital development projects. Funding hopes are somewhat unrealistic and additional effort is created by the agencies and institutions, DFCM staff and the Board in analyzing issues in depth that have little chance for funding in the next session.

Therefore, DFCM suggested the Board have a shorter priority list for the current year, but continue to identify projects for consideration the following year to provide an indication of urgency and avoid the confusion of a long priority list for the current year. Keith Stepan felt the Board could give the extended list consideration in the five year plan and keep the current year list a smaller reality.

Chair Jardine asked if the Board would hear a greater number projects placed on the priority list at the hearings. Kenneth Nye suggested hearing a smaller number of projects than last year, but still includes projects that may not be considered for funding. Chair Jardine felt the hearings were valuable in preparing the five-year book.

Steven Bankhead questioned if having a large list was a good way to communicate the long range needs. Kenneth Nye stated DFCM could highlight future funding considerations as part of the five year building program.

The second change suggested for the Board's consideration was regarding the October hearings and having some consideration of more than one option for some of the projects. In some cases, multiple options could be considered, where in the past, other options have typically not been presented to the Board. A number of projects were identified providing suggestions for the types of options up for consideration at the October hearings. In discussions with Keith Stepan about the role of the Building Board versus the role of other entities, DFCM suggested the Board consider options for projects in the October hearings dealing with the physical building. DFCM also suggested the Board review alternative levels of future growth capacity and alternative ways to fund projects as far as identifying options.

Kenneth Nye stated another category of options up for consideration by DFCM pertained to Higher Education. There are frequently multiple options for the amount of the program addressed within a project as to which institution should have a specific type of program as an emphasis. In the case of Higher Education, DFCM feels those decisions are best made by the Board of Regents. In observations of the Board of Regents process in the past, there has not been very much open dialogue in Regent meetings about those types of issues. DFCM suggested the Board request the Regents obtain a more complete and thorough evaluation of the options for some of the approaching projects. DFCM felt it was imperative to ask the Regents to be more thorough in their evaluation of some of those issues.

Mr. Nye addressed the schedule and noted an August 6 meeting was scheduled to allow the Board to identify which projects it desired to hear in the October hearings. Prior to the August meeting, the agencies and institutions are currently preparing need statements for the projects they desire to pursue this year. Prior to the August meeting, this information will be distributed to the Board to help identify a short list. After the meeting, DFCM staff will put a greater effort into fine tuning the scope and budget for those specific projects for presentation at the October meeting. DFCM also anticipated touring with the Building Board in August, and possibly including the Legislative Capital Facilities Committee as well.

The hearings were scheduled for October 1, which may allow a more thorough look at the project's options. The Board meeting to set priorities was scheduled for October 15; however it was also a Legislative Interim day. The Board agreed to meet on Thursday, October 16 instead.

Chair Jardine sought feedback from the audience. He stated the recommendation to the Regents probably ought to be underway immediately. Keith Stepan stated DFCM would put together a letter and send it to the Regents for consideration.

Senator Evans stated UCAT was also often overlooked as they did not have an advocacy group. She felt the Building Board could ensure they were included in the process. Chair Jardine concurred. He then welcomed Representative Dave Clark.

☐ **FACILITIES MAINTENANCE DELEGATION AT THE UTAH NATIONAL GUARD**

Colonel Morgan reiterated the motion before the Board was whether or not the Utah National Guard accepted the conditions for the revoked delegation. The General was in concurrence with the issue, but still waiting to resolve the money resolution with DFCM.

Lynne Ward indicated the maintenance on the facilities by the National Guard has not been for lack of interest in properly maintaining the facilities, but more for lack of funding. DFCM assuming the responsibilities is not more expensive in comparison to National Guard, but simply the National Guard did not have the funding. Future funding will be an issue reviewed by GOPB to determine if there is any base funding within the National Guard that could be relocated to DFCM. The National Guard was not going to expect everything would be maintained 100% either. Colonel Morgan agreed and stated the National Guard will retain parts in the outlying armories due to the federal pieces for the organizational maintenance shops funded by federal dollars.

Chair Jardine sought a motion.

MOTION: Kerry Casaday moved for DFCM to end the delegation to the Guard for maintenance of armory facilities outside of Salt Lake County. The motion was seconded by Steve Bankhead and passed unanimously.

☐ **OPERATIONS AND MAINTENANCE BUDGET REQUEST MODEL.....**

Kenneth Nye stated this item had previously been discussed with the Board as an attempt to standardize the analysis and determination of the amount of O&M funding that should be provided for Higher Education capital development requests. In the past, there has been some variation in the amounts requested from one institution to another which has created some concerns and DFCM wished to create a standard approach. A detailed discussion was previously held where participants were asked to contact Kenneth Nye with concerns. Mr. Nye had not received any comments. The issue had recently been presented to the full Board of Regents who voted to endorse and approve this process to determine O&M funding levels. Mr. Nye recommended the Board approve the process.

Dennis Geary questioned the term period. Kenneth Nye responded the Regents action suggested placing the process in place for one year and then reviewing it. Mark Spencer stated it was approved by the Regents as a one year pilot test. This process helps work

towards uniformity and coordination of requests. Kenneth Nye suggested the Building Board endorse the method, knowing it could be revisited at any point in time.

MOTION: Steve Bankhead moved to approve the procedure for the operations and maintenance budget model request. The motion was seconded by Lynne Ward and passed unanimously.

Keith Stepan commented the memo indicated that DFCM would continue to evaluate the model for use with other state agencies. DFCM will adapt similar model criteria for other state agencies and return to the Board for review.

❑ OWNER CONTROLLED INSURANCE PROGRAM

Kenneth Nye explained OCIP is the Owner Controlled Insurance Program where the State buys the insurance for a project. The past process has been to deduct insurance costs from the contractor and then provide the services to facilitate higher liability limits at a lower rate. The practical experience from the last five years has resulted in several successes from the OCIP, but also posed several challenges. The biggest problem has been administrative in nature both for DFCM staff, as well as for the contractors involved with the project. Based on the challenges, DFCM intends to continue with the OCIP program.

The State has solicited bids for replacement insurance coverage for an ongoing OCIP which came in more favorable than expected. DFCM is currently not enrolling any new projects in the OCIP. A provisional notice will be distributed to firms indicating the OCIP program will be terminated as of September 8 and they would need to provide their own insurance at that time.

Steve Bankhead stated that since the last meeting, he had interviewed and spoken with a number of contractors and, without exception; they all expressed a dislike for the OCIP program and always added a percentage to their bid to compensate for dealing with this program. He felt the Board had done the right thing.

❑ ADMINISTRATIVE REPORTS OF THE UNIVERSITY OF UTAH AND UTAH STATE UNIVERSITY

John Huish reported the administrative report for the University of Utah for the period of April 18 to May 16, 2003, had two new Architect/Engineer agreements including one for the George Thomas building fire system upgrade and one for the Performing Arts building remodel of room 115.

The construction contracts awarded for the period included one in the Radiobiology building, building 585, in which they were converting laboratories into different research projects. The roads and parking lot renovation project was also another improvement project and was awarded to Cottonwood Builders for an amount substantially below budget.

The report on the statewide account for improvement projects, life safety, paving and roof repair was also included showing the previous and current encumbrances on those projects.

A new sheet identifying the status of the improvements projects was also included. The sheet demonstrated the different phases the projects are in and the completion dates for the current phase. All projects are up to speed and proceeding in good fashion.

The quarterly construction contract status report showed there were eight projects closed and nine still open, but very near completion. There were also two additional projects added within the last month.

MOTION: Kerry Casaday moved to approve the University of Utah's administrative report. The motion was seconded by Steve Bankhead and passed unanimously.

Brent Windley reported on the Utah State University administrative report for the period of April 16 to May 14, 2003 and indicated one new professional contract for the steam system supply at the Museum of Art.

There were three new construction contracts including the animal lab research center addition, the Nutrition and Food Science revamp of the air conditioning, and the Steam System Supply.

The contingency reserve fund showed increases due to the Steam System Supply and the Fire Lane Access Routes. The quarterly report showed percentages of cumulative transfers on the contingency fund.

There were ten projects listed in the summary of the statewide accounts. There was one project closed on the construction contract status report during the period while eight remain open. Four of those are in substantial completion and the other four are still under construction. There were seven new contracts.

The Engineering Building is due to be completed in early July and occupied in August. Edith Bowen Phase I is also scheduled to be completed at the end of July and phase II has already begun and is anticipated to be completed in one year.

Chair Jardine asked about the contracts awarded and the contract amount on the Animal Research Lab being relatively close to the budget. Mr. Windley stated they actually had to revise the budget to accomplish what they could with the money available.

Chair Jardine sought a motion.

MOTION: Steve Bankhead moved to accept the administrative report of Utah State University. The motion was seconded by Kerry Casaday and passed unanimously.

☐ DFCM'S WATER CONSERVATION EFFORTS

Bruce Whittington reported on the efforts for water conservation measures at existing facilities. Blake Court discussed the new construction areas and how they are associated with the new landscaping design criteria approved by the Board.

Mr. Whittington explained the biggest water user on existing buildings is mostly grounds. Exterior is usually 60-65% of the total use and is currently being addressed within the boundaries. Last fall they began to change the planting designs and this spring started to remove a lot of the traditional high water use plants with drought tolerant, low water use plants in a majority of the bed areas. DFCM has not gone 100% drought tolerant, but will continue over the next several years to transition away from high water use flowers. Additionally, DFCM has also started to remove some areas where there was turf as turf is one of the highest water users. They have replaced turf with drought tolerant plants and adjusted the water sprinkling systems accordingly to produce less water. In areas where DFCM is not able to maintain or remove areas, they are trying to determine areas to reduce the operating times on the sprinkler systems. DFCM understands the State needs beautiful landscape areas, but considering the conditions available, is not going to have lush, green lawns in some areas.

DFCM has begun to invest in intelligent sprinkling systems with several existing throughout the State. As funds become available, they will add more. Rather than having a traditional clock system that operates zones according to time schedules, they are actually connected to local weather stations where they are fed wind conditions, humidity, and rain fall amounts. The systems are smart enough to adjust according to the conditions and will adjust their operating times to get the maximum use of the water.

DFCM has also begun a training program in which many, if not all of the ground staff, have gone through a certified water auditor program where they are now certified and have the expertise to go out and determine what the actual water needs are at a location rather than just estimating.

Additionally, the large cooling system and evaporative cooling towers on buildings is also quite a large water user. DFCM has found as they have started to modify and raise the cycles on the towers that the towers evaporate a huge amount of water on a large building. A cycle is basically how much the water is reused before it is evaporated or dumped down the drain. Traditionally in the past, DFCM conservatively kept their cycles at 1 ½ to 2 cycles to reduce scaling potential. They have raised those by working with the water treatment contractor and maintaining the right chemicals, and are now operating most of the buildings between three to five cycles. Just taking a system from one and a half cycles to two cycles results in a 50% water savings.

Blake Court reported on the new Weber State Davis campus. DFCM received funding to begin design on the project approximately two years ago. They received funding for construction on the new campus just over a year ago and are looking for a substantial completion on the project near the end of June. Weber State was initially very much in favor of going to xeriscape landscaping, and after reviewing the new standards with DFCM, Weber State chose to meet the new standards of DFCM and the State. Based on this, the systems and landscaping were redesigned. On the new campus, DFCM is developing 7.8 acres of landscaped space, not including patios and sidewalk areas. Placing Kentucky bluegrass in the area would take almost 7.5 million gallons of water a year to keep green and growing. With the new standard, the goal is about 70% of that, and therefore reduced the water usage by 5.6 million gallons a year. With the design team and some very innovative approaches, DFCM has been able to get down to just 4 million gallons a year which is a savings of almost 50% of what the campus would have been normally with the previous standards. DFCM has implemented standards and put in a very smart water landscape management system with sensors in the ground to identify if the ground is moist. They have put meters in to verify they are using the right amount of water and are continuing to follow up with draining. They anticipate saving 3.8 million gallons per year.

Keith Stepan commented that it will take a couple of years for it to mature and there will be an adjustment period for the public in terms of acceptance.

❑ SALE OF BLANDING YOUTH CORRECTIONS FACILITY

Alyn Lunceford reported approximately six months ago, DFCM approached Youth Corrections regarding their plans and intentions with the Blanding Youth Corrections facility as it currently is being used. Youth Corrections did not wish to keep the building as their

needs will be met by the new facility. At that point in time, the local government who had donated the property for the new Youth Corrections facility and made some rather significant investments and other concessions contacted DFCM to begin the process of obtaining the property.

DFCM then pursued all of the agencies in the area to determine if another state agency would have a use for the facility and could assume fiscal responsibility. No agencies had the ability to take the property over, nor had a need within their programs. Discussions with Blanding City progressed and an appraisal was conducted which came back unfavorable. The facility is valued at \$65,000 with very limited chance or opportunity for it to become a viable property. Since the property could possibly remain abandoned for up to 48 months, DFCM requested the Board grant approval for the building to be traded to Blanding City in light of the significant effort and contribution made to the new Youth Correction facility.

Keith Stepan emphasized an appraisal was conducted and DFCM had investigated other interests and uses by other agencies. Letters from the Mayor and from Senator Dmitrich recommending the action were included. He felt it was a very viable and beneficial recommendation.

MOTION: Kerry Casaday moved to authorize the trade of the current Youth Correction facility in Blanding to Blanding City in consideration for the cost of the land and other off site improvements the city of Blanding has expended for the site and development of the new Canyonlands Youth Correction facilities. The motion was seconded by Steven Bankhead.

Chair Jardine sought comment on the motion. Representative Pace questioned what the intended use of the building by Blanding. Alyn Lunceford responded the intent was to remodel the building in the housing and lobby area into office space and use the jail cells as a renovation of their police department. Chair Jardine asked if proper procedures were followed to ensure they were complying with statute. Mr. Lunceford responded discussions were held with every agency in the county to discuss space needs and found the departments and agencies in the area were looking to reduce space as opposed to wanting more space.

The motion passed unanimously.

☐ ADMINISTRATIVE REPORTS FOR DFCM

Kenneth Nye stated there was nothing calling for extended discussion outside of the memo unless the Board had any questions.

☐ **UPCOMING VALUE BASED PROCUREMENT SELECTIONS**

Kerry Casaday will serve on the selection committee for the West Jordan courts facility.

Cyndi Gilbert will tentatively serve on the selection committee for the Dixie and SLCC Health Sciences building. Steve Bankhead will serve as a back-up.

☐ **OTHER.....**

Kenneth Nye observed the next Board meeting was scheduled for July 2, 2003. The Board confirmed they would be able to attend, with the exception of Lynne Ward.

In September, a joint meeting is typically held with the Board of Regents. The meeting is tentatively scheduled for September 11 or 12 and will be held at Salt Lake Community College. If the Board could meet with the Board of Regents in the morning on September 12 and have a regular meeting afterwards, that would be the most preferable. Kenneth Nye will continue to work with the Board of Regents for September 12.

☐ **ADJOURNMENT.....**

MOTION: Kerry Casaday moved to adjourn at 10:36am. The motion was seconded by Steven Bankhead and passed unanimously.

Minutes prepared by: Shannon Lofgreen